

**TOWN OF HITCHCOCK
BLAINE COUNTY, OKLAHOMA
ACCOUNTANT'S REPORT
FISCAL YEAR ENDED
JUNE 30, 2013**

***WILLIAM K. GAUER, CPA
CERTIFIED PUBLIC ACCOUNTANT
WATONGA, OKLAHOMA***

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**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON
PROCEDURES THAT INCLUDES AN ACCOUNTANT'S COMPILATION REPORT ON
ACCOMPANYING FINANCIAL STATEMENTS COMPILED BY THE ACCOUNTANT**

Independent Accountant's Report

To the Specified Users of the Report:

Town Board, Town of Hitchcock

Hitchcock, Oklahoma

Oklahoma Office of State Auditor and Inspector

Oklahoma City, Oklahoma

I have compiled the accompanying Summary of Changes in Fund Balance-Cash Basis of the Town of Hitchcock, Oklahoma as of June 30, 2013 and the related Budgetary Comparison Schedule of General Fund-Cash Basis, and Schedule of Grant Activity-Cash Basis for the fiscal year ended June 30, 2013. The financial statements have been prepared in a format and basis of accounting, as prescribed by Oklahoma Statutes, that demonstrates compliance with the cash basis and budget laws of the State of Oklahoma, which is a comprehensive basis of accounting other than generally accepted accounting principles. I have not audited or reviewed the financial statements referred to above, and accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the cash basis described above.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting and the requirements of Oklahoma Statutes and/or designing, implementing, and maintain internal controls relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide an assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Town's assets,

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(Continued)

Town of Hitchcock

liabilities, equity, revenues and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Additionally, I have performed the procedures enumerated below which were agreed to by the specified users of the report, as identified above, and as defined within the applicable state laws of the State of Oklahoma solely to assist the Town in meeting its financial accountability requirements as prescribed by Oklahoma Statutes §11-17 (105-107) and §60-180.1-.3 and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2013. Management of the Town of Hitchcock is responsible for the Town's financial accountability and its compliance with those legal and contractual requirements. This agreed-upon procedures engagement was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Procedures and Findings

As to the **Town of Hitchcock** as of and for the fiscal year ended June 30, 2013:

1. **Procedures Performed:** From the Town's trial balances, we prepared a schedule of changes in fund balances for each fund (see accompanying ExhibitA) and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: None

2. **Procedures Performed:** From the Town's trial balances, we prepared a budget and actual financial schedule for the General Fund and any other significant funds listing separately each federal fund (see accompanying ExhibitB) and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

Findings: None

3. **Procedures Performed:** We agreed the Town's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

Findings: None

4. **Procedures Performed:** We compared the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Findings: None

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(Continued)**

Town of Hitchcock

5. Procedures Performed: We compared use of material restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: None

6. Procedures Performed: We compared the accounting for the Town's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

Findings: None

7. Procedures Performed: We compared the Town's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

Findings: None

As to the **Town of Hitchcock Grant Programs**, as of and for the fiscal year ended June 30, 2013:

1. Procedures Performed: From the Town and Authority's trial balances, we prepared a schedule of grant activity for each grant/contract (see accompanying Exhibit C) and compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreement.

Findings: Grant schedule of activity needs to include CFDA and other identifying contract numbers or information. This information should include identifying the source of the grants and if it passed through another state of federal agency in getting through to the Town.

I was not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the information and use of the specified users, as identified above, and is not intended to be and should not be used by anyone other than these specified parties.



August 26, 2013

Exhibit A
Town of Hitchcock
Summary of Changes in Fund Balances
For the Fiscal Year Ended June 30, 2013

	Beginning of Year	Current Year Change		End of Year
		Receipts	Disbursements	
<u>Fund Balances</u>				<u>Fund Balances</u>
TOWN:				
Governmental Funds				
General Fund	\$ 60,797	\$ 46,957	\$ 56,534	\$ 51,221
Street and Alley Fund	5,138	-	-	5,138
Light and Water Fund	11,303	-	-	11,303
Grant Fund	-	-	-	-
Town Subtotal	<u>77,238</u>	<u>46,957</u>	<u>56,534</u>	<u>67,662</u>
Overall Totals	<u>\$ 77,238</u>	<u>\$ 46,957</u>	<u>\$ 56,534</u>	<u>\$ 67,662</u>

Exhibit B
Town of Hitchcock
Budgetary Comparison Schedule General Fund - Cash Basis
For the Fiscal Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive (Negative)</u>
Beginning Budgetary Fund Balance:	\$ 60,797	\$ 60,797	\$ 60,797	\$ -
Resources (Inflows):				
Taxes:				
Franchise Tax	2,793	2,793	-	(2,793)
Tobacco Tax	155	155	122	(33)
Total Taxes	2,948	2,948	122	(2,826)
Intergovernmental:				
Motor Vehicle Tax	877	877	849	(29)
Alcoholic Beverage Tax	1,384	1,384	1,412	28
Gas Excise Tax	-	-	314	
State Grants	-	-	11,628	11,628
Investment Income	223	223	129	(94)
Miscellaneous Income				
Garbage Collection Fees	29,716	29,716	28,362	(1,354)
Rent	4,748	4,748	-	(4,748)
Royalties	70	70	75	5
Other	-	-	4,068	4,068
Other Financing Sources:				
Transfer from Other Funds	-	-	-	-
Amounts available for appropriations	<u>100,762</u>	<u>100,762</u>	<u>107,754</u>	<u>6,978</u>
General Government:				
Personal Services	3,000	3,000	500	(2,500)
Maintenance and Operations	35,000	35,000	24,917	(10,083)
Capital Outlay	62,762	62,762	31,117	(31,645)
Other Financing Uses:				
Transfers to other funds	-	-	-	-
Total Charges to Appropriations	<u>100,762</u>	<u>100,762</u>	<u>56,534</u>	<u>(44,229)</u>
Ending Budgetary Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 51,221</u>	<u>\$ 50,907</u>

Exhibit C
Town of Hitchcock
Blaine County, Oklahoma
Schedule of Grant Awards,
Receipts and Expenditures
For Year Ended June 30, 2013

Grant Description	Contract Number	Grant Award	Revenue Collected	Total Expenditures
NODA REAP Grant FY 2012-13			\$11,628 11,628	\$11,628 11,628
Total		\$0	0 \$11,628	0 \$11,628

The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditors' report.